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PRELIMINARY REVIEW AND ASSESSMENT OF THE SPECIAL SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY ON THE CRITICAL ECONOMIC SITUATION IN AFRICA

Report by the ECA Executive Secretary

I. BACKGROUND

1. The special session of the United Nations General Assembly on the critical economic situation in Africa was held from 27 May to 1 June 1986 "to focus, in a comprehensive and integrated manner, on the rehabilitation and medium-term and long-term development problems and challenges facing African countries with a view to promoting and adopting action-oriented and concerted measures". 1/ It was convened in response to the request of the Heads of State and Government of the Organization of African Unity (OAU) to deliberate on the issues of the critical economic situation in Africa because they were convinced "that the United Nations system, in particular the General Assembly, is an effective forum for sensitizing and mobilizing the international community on the critical economic situation in Africa, and the programme of recovery which we have formulated to deal with it". 2/ The deliberations of the session were based on Africa's Submission to the Special Session of the United Nations General Assembly on Africa's Economic and Social Crisis which is a broad translation in concrete terms of Africa's Priority Programme for Economic Recovery, 1986-1990 (APPER).

2. As background to the understanding of APPER and the outcome of the special session, it is essential to remember that the Priority Programme was the result of the agonizing appraisal of the implementation of the Lagos; Plan of Action (LPA) and the Final Act of Lagos, made by the Heads of State and Government at their twenty-first ordinary summit in July 1985 and whose purpose was to adopt measures for the accelerated implementation of the LPA and the Final Act of Lagos and in spite of the deteriorating economic and social situation of the continent, the Heads of State and Government were convinced that the LPA and the Final Act of Lagos were as relevant today as they were in 1980 when they were adopted.

3. The outcome of the special session of the United Nations General Assembly on the critical economic situation in Africa has been subjected to evaluation in different quarters. As active participants in the preparations for the session, the Conference of African Ministers responsible for development and planning rightly deserves to be informed of its outcome.

4. The objective of the present report is to review and assess the outcome of the special session as contained in the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 (UN-PAAERD) and its implications for Africa's development perspectives.

1/ United Nations General Assembly resolution 40/40.

2/ Declaration of the Heads of State and Government on the Economic Situation in Africa, paragraph 22, contained in Africa's Priority Programme for Economic Recovery, 1986-1990 (APPER).

II. REVIEW OF THE SPECIAL SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY ON THE CRITICAL ECONOMIC SITUATION IN AFRICA

5. When the first extraordinary session of the Economic Commission for Africa was held from 28 to 30 March 1986 for African Ministers responsible for economic development and planning to make their contributions to Africa's submission to the special session and even when the Council of Ministers of the Organization of African Unity met later to adopt the submission, it was the understanding that the special session was going to take place from 27 to 31 May 1986. But the session only ended on 1 June 1986. That was due to the difficult negotiations that went on throughout the session and the consequent need to arrive at compromises which led to the successful adoption by consensus of a programme of action.

6. As it is, the main outcome of the special session on the critical economic situation in Africa is the UN-PAAERD which finds its roots in Africa's Priority Programme for Economic Recovery, 1986-1990 (APPER) which, as mentioned above, was the main instrument fashioned by the Heads of State and Government of the Organization of African Unity at their twenty-first ordinary summit in July 1985 for the accelerated implementation of the Lagos Plan Action (LPA) and the Final Act of Lagos.

7. The LPA as a comprehensive and long-term plan aimed, among other objectives, at achieving a radical change in the patterns of production and consumption and bringing about fundamental economic and social structural transformation and economic integration. But, soon after the adoption of the LPA African countries became aware of the necessary action to deal with the sharply deteriorating internal and external economic environment. This was best reflected in the discussions at the sixteenth session of the Commission and the seventh meeting of the Conference of Ministers, held in Freetown in 1981. 3/

8. In the six years that followed the adoption of the LPA, in April 1980, the African economies were further hit by extraneous factors, unprecedented in magnitude, such as drought and famine, acceleration of the desertification process, persistent and destructive cyclones in the Indian Ocean and the intensification of the destabilization attempts by South Africa on the front-line States, as well as structural obstacles such as outward-orientation, lack of complementarity, narrow economic base, etc. In addition, the lack or inadequacy of skilled manpower within member States has contributed to the inability of the African countries to internalize the development process and ensure national and collective self-reliant and self-sustained growth, as recommended in the LPA. These developments, coupled with some domestic policy shortcomings, brought most of African countries close to economic collapse.

9. As is known, the focus of APPER is on food and agriculture, with added justifiable emphasis on other related sectors, particularly agro-industries, transport and communications, trade and finance and human resources, as providers

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3/ See document E/CN.14/Conf.81/01.

of essential services and inputs to food and agriculture. In this connection, it is to be recalled that even in the LPA, food and agriculture were given the pride of place and many of the policy proposals therein are still valid. To that extent, the question is: what is new? The answer is that while the LPA, as stated above, is a comprehensive and long-term programme, APPER being a five-year programme for rehabilitation and recovery, is much more limited in its scope but specific in its objectives and goals. And as the Heads of State and Government have rightly conceived, it is an instrument for the accelerated achievement of the goals and objectives of self-reliance and self-sustainment of the LPA. It is therefore, fitting that the international community, through the General Assembly of the United Nations, made it the pillar of the United Nations Programme of Action for Africa's Economic Recovery and Development, 1986-1990 (UN-PAAERD). Similarly, the Programme of Action also contains the significant features of Africa's submission to the General Assembly, namely the reform measures that African Governments have committed themselves to take, as well as an indication of the magnitude of the financial resources involved.

10. The African submission constituted the basis for the UN-PAAERD. This programme depends critically on the mutual commitments and co-operation between African countries and the international community. On their part, African countries committed themselves to the implementation of sharply focused, practical and operational sets of activities, priorities and policies in accordance with APPER. The international community, in turn, committed itself to support these efforts.

11. The objective of the support measures by the international community, the details of which are reviewed in section III below, is to consolidate Africa's development efforts through the provision of adequate financial and technical resources and taking the necessary steps to ease the external constraints to Africa's development, especially in respect of those areas relating to the improvement of the external trade environment, debt relief, commodity stabilization and economic co-operation.

12. An important feature of the UN-PAAERD is the establishment of joint follow-up and evaluation machinery at the national level for the implementation, monitoring and evaluation of the UN-PAAERD.

III. PRELIMINARY ASSESSMENT OF THE OUTCOME OF THE SPECIAL SESSION OF THE UNITED NATIONS GENERAL ASSEMBLY ON THE CRITICAL ECONOMIC SITUATION IN AFRICA

13. As prelude to action, it is important that the outcome of the special session should be evaluated, as quite a number of Governments of member States have probably done. As is usual in this type of evaluation, the point of departure should be what African States themselves expected from the special session and what the General Assembly said the purpose was. In this connection, it should be recalled that the Heads of State and Government expressed their strong conviction that "the United Nations system, in particular the General Assembly, is an effective forum for

sensitizing and mobilizing the international community on the critical economic situation in Africa and the programme of action ... formulated to deal with it". Similarly, in deciding to hold the session, the General Assembly, in its resolution 40/40 decided that the special session should "focus in a comprehensive and integrated manner, on the rehabilitation and medium-term and long-term development problems and challenges facing the African countries with the view to promoting and adopting action-oriented and concerted measures".

14. In effect, African countries expected a broad consensus to emerge from the special session of the United Nations General Assembly on the following issues:

(a) A reconfirmation by the international community of Africa's Priority Programme for Economic Recovery, 1986-1990 (APPER) on acceptance of the measures for its implementation, as contained in Africa's submission, as the basis for a new form of international co-operation including the reordering of the aid/investment priorities of the developed countries for Africa, not only during the period covered by the Priority Programme, but also thereafter;

(b) Commitment by the international community to enter into compact with the African countries, within which shared responsibility and genuine partnership would prevail within the context of an interdependent world. This would imply joint programming between Africa and the international community in order to resolve the problem of mass poverty through faster rates of growth and development;

(c) Agreement to improve the structures and environment in which international co-operation could take place such as, for instance, the shift from project support to programme support and the elaboration of a new framework for technical assistance in Africa;

(d) Assurance of measures to the improvement in the external environment for fruitful international trade relations, including the elimination of protectionist measures, both tariff and non-tariff;

(e) Assurance of support for Africa's efforts to diversify its export base, as well as strengthen its capabilities for more efficient processing, marketing, distribution and transportation of export commodities;

(f) Promise of specific measures for dealing with Africa's external debt situation within the context of the implementation of APPER;

(g) Specific support for Africa's policy reforms and structural adjustment measures;

(h) Agreement on a joint mechanism for follow-up and implementation of APPER.

15. Perhaps the most important issue on which there was general consensus by the international community is the unequivocal recognition of the orientation of APPER as the basis for African economic recovery during the coming five years and which

has been accepted as a point of reference to govern the actions of the international community in providing their aid and technical assistance in Africa.

16. The international community has expressed its awareness of the fact that the process of development being initiated by APPER should be supplemented by complementary actions of the international community. Specifically, the international community agreed on broad measures which could be summarized as follows:

(a) That African countries needed additional external resources and that the international community is willing to make "every effort to provide sufficient resources to support and supplement the African development effort" and "that the realization of African development efforts will be greatly eased if the flow of external resources were predictable and assured". To this end, it was agreed that improving the quality and modality of external assistance and co-operation through co-ordinated measures are essential. This would imply placing greater emphasis of programme support in the priority areas of the recipient African countries; improvement in the mechanism and policy for procurement so as to speed up the delivery of production inputs; the adoption of less cumbersome methods of disbursement of funds; meeting some of the recurrent and local costs of programmes and projects designed to support the Priority Programme; and improving the effectiveness of technical assistance to make it more supportive to the Priority Programme;

(b) That there should be improvement in external environment, including the establishment of a mechanism conducive to equitable and non-inflationary growth of Africa's economies, such as, inter alia, the elimination of "protectionism", particularly non-tariff barriers in accordance with existing commitments; the adoption of measures for export diversification and improved market access, especially for tropical products within the framework of the General Agreement on Tariffs and Trade;

(c) That action should be taken to deal urgently with commodity issues, taking into account the special interests of African countries, within the framework of existing agreements/arrangements; adequate compensatory financing should also be considered; increasing the capacity of African countries to process, market, distribute and transport their commodities; and the importance of sufficient ratifications of the agreement on the Common Fund for Commodities so that it should become operational without further delay;

(d) That improvements in the operation of multilateral agencies and international organizations, were urgently required, more specifically, the provision of longer term concessional resources within the IMF Structural Adjustment Facility in support of policy reforms. This would imply that special efforts should be made to increase the flow of resources within the framework of the Substantial New Programme of Action for the 1980s for Least Developed Countries and implementation of resolution 165 (S-IX) of the Trade and Development Board of the United Nations Conference on Trade and Development;

(e) That the international community recognizes the magnitude of Africa's debt and the severe and restrictive burden which this has placed on many African countries and that measures should be adopted to assist African countries in their efforts to deal with financial constraints within the context of the Priority Programme. In this context, it was also agreed that existing mechanisms should respond flexibility to the African requirements;

(f) That there was the need for increasing official development assistance (ODA) to Africa as well as improvements in its quality and effectiveness. Similarly, there should be speedy eighth replenishment of the International Development Association (IDA) and the fifth African Development Fund (ADF) at the levels which should take into account the requirements for Africa's recovery and development. Of special significance was the fact that the international community agreed to "strive to ensure that no individual bilateral donor, during the period 1986-1990, becomes a net recipient of official capital flows from African countries that undertake adjustment programmes"

(g) That co-operation among developing countries could make an effective contribution to meet the urgent needs of the African countries. The UN-PAAERD identified a number of areas where such co-operation is particularly relevant, such as irrigation, agricultural training, small-scale industries, agricultural research, management, etc.

17. The UN-PAAERD recognizes the importance of follow-up mechanisms and indeed called for the establishment of follow-up and evaluation machinery at the national, regional and global levels for the implementation, monitoring and evaluation of the UN-PAAERD. To this end, the international community accepted the general principle that donor countries and international organizations should improve the co-ordination of their activities and assistance with recipient countries in order to enhance the implementation of the United Nations Programme.

18. In the light of the objectives of the two major participants in the special session - African countries and the international community - it can be judged that the adoption of the UN-PAAERD is a great achievement. This is particularly so when all the difficult negotiations that were undertaken and the fact that the Programme of Action has incorporated the essential elements of APPER and Africa's submission to the session have been taken into consideration. But more importantly, it should be pointed out that the document also contains a positive response from the international community to proposed measures for dealing with some of the thorny problems which face African countries in common with the rest of the developing world but which have usually been considered negatively in other international fora.

19. However, while the UN-PAAERD called for joint action at the national level, it is evident that the mechanisms envisaged should function mainly along the lines of the traditional Consultative Groups and Round Tables.

20. While, as seen from above, the international community has made several positive commitments regarding the support and implementation of APPER, nevertheless these commitments have fallen short of original expectations particularly in the following three areas:

(a) There is lack of firm commitment to fill the external resource gap required to fully implement APPER;

(b) Notwithstanding the recognition by the international community of the severe difficulties encountered by many African countries regarding their external debt repayment obligations, the international community was unable to come forward with specific measures that should be taken to alleviate this burden;

(c) Whereas the UN-PAAERD recognizes the importance of establishing joint follow-up mechanisms for the implementation and monitoring of APPER, the role and frame of reference envisaged is much in line with traditional consultative mechanisms. Under these circumstances, the only slight innovation around which African countries could push for the national follow-up mechanism is to take the forms of Joint Committees or Joint Bilateral Commission.

21. A careful consideration of the balance sheet regarding expectations and achievements safely leads to the conclusion that the special session has gone quite a long way in meeting the original African expectations.

IV. CONCLUSIONS

22. African expectations from the special session of the General Assembly on the critical economic situation in Africa had been faithfully expressed by the Executive Secretary of the Economic Commission for Africa in his statement at the first extraordinary session of the ECA Conference of Ministers, held in Addis Ababa, on 28 and 29 March 1986, when he conceived of the special session as "a unique and indeed a rare opportunity for having the first ever assembly of world nations to enter into concrete and viable commitment to do better and more for the peoples of Africa, and thereby contribute to the betterment of the world as a whole".

23. The very holding of the special session, the first of its kind in the history of the United Nations General Assembly, constitutes a significant success in itself. Indeed, despite the time constraints and the numerous obstacles encountered during the negotiation process, the session ended with a consensus regarding the adoption of the United Nations Programme of Action. No doubt, such outcome, as the Secretary-General of the United Nations has put it, has offered "an opportunity for a new beginning in the co-operation between Africans and their development partners".

24. As is known, the special session of the General Assembly was originally conceived as a forum for securing additional support and co-operation from the international community for the implementation of APPER. While the financial magnitude of the required additional resources has been explicitly stated in the African submission, it was the expectation that the donor community, having been

informed of the size of effort which the Africans have committed themselves to, could in similar vein agree to fill in the gap. This is not to suggest that the original purpose for holding the special session was to make it a pledging conference. If indeed the special session was not meant to be a pledging forum where commitments could be couched in dollar terms, it must be agreed that the Africans have succeeded in their objective.

25. While the special session has met most of Africa's expectations, it is also true that the response by the international community regarding some of the issues has been shrouded in vagueness. This notwithstanding, it should be pertinent for African countries to exploit to their fullest advantages possible the response of and commitment by the international community and work to render them more concrete and specific.

26. Finally, there is need to emphasize the importance of the mutual commitment entered into by the African Governments and the international community for the first time on "a common point of reference". This, in effect, means that Africa, on the one hand, and the international community, on the other, have agreed on a body of policies and measures to be followed if the objectives of APPER are to be realized. The real challenge for Africa is to live up to its undertakings and to make all the necessary painstaking arrangements to render the implementation of the UN-PAAERD a success.